

# REINFORCEMENT ACTIVITY 2 PART B (continued)

12.

ClearView Optical

Income Statement

For Year Ended December 31, 20 --

	% OF SALES									
Revenue:										
Sales										100.0
Cost of Merchandise Sold:										
Merchandise Inventory, January 1, 20 --	258	70	0	00						
Purchases	145	81	8	00						
Total Cost of Merchandise Available for Sale	404	51	8	00						
Less Merchandise Inventory, December 31, 20 --	243	80	0	00						
Cost of Merchandise Sold	160	71	8	00						44.3
Gross Profit on Sales	202	27	0	00						55.7
Expenses:										
Advertising Expense	5	59	4	00						
Credit Card Fee Expense	3	83	2	00						
Insurance Expense	1	87	0	00						
Miscellaneous Expense	2	20	7	00						
Payroll Taxes Expense	7	35	3	20						
Rent Expense	14	40	0	00						
Salary Expense	68	20	0	00						
Supplies Expense—Office	2	19	0	60						
Supplies Expense—Store	2	03	4	00						
Utilities Expense	3	65	6	20						
Total Expenses	111	33	7	00						30.7
Net Income	90	93	3	00						25.1